

CPA MICS Compliance Checklist

**TABLE GAMES  
Soft Drop and Count Observation**

Licensee \_\_\_\_\_ Review Period \_\_\_\_\_

NGC Regulation 6.090(9) requires the CPA to use “criteria established by the Chair” in determining whether a Group I licensee is in compliance with the Minimum Internal Control Standards (MICS). This checklist is to be used by the CPA in determining whether the licensee’s table games operation is in compliance with the Table Games MICS that address the table games drop and count.

Date of Inquiry	Person Interviewed	Position

**Date of Drop Observation:** \_\_\_\_\_ **Date of Count Observation:** \_\_\_\_\_

Checklist Completion Notes:

- 1) Unless otherwise instructed, examine a completed document for compliance for those questions referring to records/documentation as indicated and recalculate where appropriate. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used are to be defined at the bottom of each page.
- 2) All "no" answers require referencing and/or comment, and should be cited as regulation violations, unless the Board Chair has granted a MICS variation or the question requires a "no" answer for acceptability. All “N/A” answers require referencing and/or comment, as to the reason the MICS is not applicable.
- 3) "(#)" refers to the Minimum Internal Control Standards for Table Games, Version 9. The Table Games MICS also include Notes #1- #12.

Questions	Yes	No	N/A	Comments, W/P Reference
1. Has the licensee’s written system of internal control for the table games drop and count been read prior to the completion of this checklist to obtain an understanding of the licensee’s table games drop and count procedures and does the system of internal control delineate the procedures as may be required by any of the Table Games Notes #1 - #12?				
<b><u>Drop Standards</u></b>				
Note: The start of the drop commences with the removal of the first table game drop box. <b>(209, Note 1)</b>				
2. At the close of each shift: <b>Verify by observation.</b>				
a) Is each table’s chip, token, coin, marker and outstanding rim credit inventory counted and recorded on a table inventory form? <b>(84a)</b> or				
b) If the table banks are maintained on an imprest basis, is a final fill or credit made to bring the bank back to par? <b>(84b)</b>				

Verified per representation.  
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3. If final fills are not made, are the beginning and ending inventories recorded on the master game summary for shift win calculation purposes? <b>(85) Verify by observation.</b>				
4. Is the accuracy of table inventory forms prepared at shift end, if applicable, verified by either two pit supervisors or one pit supervisor and one supervisor from another gaming department? <b>(86) State who performs inventory procedures.</b>				
5. If inventory forms are placed in the table game drop box, is such action performed by someone other than a pit supervisor? <b>(87) Verify by observation. State who performs for open and closed tables.</b>				
6. For computerized systems, do the individuals who perform the table inventory count not have system access to change or delete table inventory amounts after the count's initial input? <b>(88) Verify by examination.</b>  <b>Note:</b> If it becomes necessary to change the count figures after the end of the shift, accounting/audit personnel may change the inventory counts with approval of the pit supervisor. <b>(88)</b>				
7. Is the setting out of empty table game drop boxes and the drop a continuous process? <b>(89) Verify by observation.</b>  <b>Note 1:</b> The drop begins with the removal of the first table game drop box. <b>(89, Note 1)</b>  <b>Note 2:</b> A table game drop box is not required to be placed on a table if the table will be closed the entire shift. <b>(89, Note 2)</b>				
8. Are procedures implemented to ensure that unauthorized access to the empty table game drop boxes does not occur from the time the boxes leave the storage racks until they are placed on the tables? <b>(90) Verify by observation. State the procedure(s).</b>				
9. At the end of each shift, are all locked table game drop boxes removed from the tables by an individual independent of the pit shift being dropped? <b>(91) Verify by observation. State who performs this procedure.</b>				
10. Is someone independent of the pit department required to observe each time table game drop boxes are removed from or placed in the storage racks? <b>(92) Verify by observation. State who performs this procedure.</b>				

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11. If table game drop boxes are not placed on all tables, does the pit department document which tables were open during the shift? <b>(93) Verify by examination.</b>				
12. Upon removal from the tables, are the table game drop boxes transported directly to the count room or other secure area by a minimum of two individuals, at least one of whom is independent of the pit shift being dropped, and locked in a secure manner until the count takes place? <b>(94) State who performs this procedure.</b>				
13. If more than one trip is required to remove the table game drop boxes from the tables scheduled to be dropped, are the boxes either locked in the count room or secured in another equivalent manner? <b>(95)</b>				
14. For table game drop boxes that allow for the automated recording of the cash inserted into the drop box (e.g., contains a drop meter), are the following procedures performed:				
a) Immediately prior to or subsequent to a table games drop, is a reading of the automated recording of the amount of cash inserted into each drop box since the last drop obtained (e.g., obtain and record meter readings) or if manual meter readings are taken and recorded, is this performed by someone independent of the count team? <b>(96a)</b>				
b) Are the meter readings, by table, documented and maintained? <b>(96b)</b>				
15. Does the Regulation 6.130(1) drop/count filing include specific drop days and times for the table games drop and count? <b>(209) Verify by examination.</b>  <b>Note:</b> A count time range, not exceeding 30 minutes, may be indicated if the counts starting after the completion of another count or drop (e.g., count starts no earlier than 7 a.m., but no later than 7:30 a.m.). Also, if one count team counts both the table games soft drop and the currency acceptor drop, the order in which the counts are to take place should be indicated. <b>(209, Notes 2 &amp; 3)</b>  <b>Note:</b> When a drop and/or count is unable to start at the reported time, the Board's Audit Division is notified (see the Board's website for instructions) prior to both the reported time and the actual start time. <b>(209, Note 5)</b>				

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16. If applicable, are routine breaks longer than 15 minutes (i.e., meal, change of shift, or breaks by count team members to perform other functions) during the count indicated on the drop/count time filing? <b>(209, Note 4) Verify by examination.</b>				
<b><u>Soft Count Standards</u></b>				
<b>Note:</b> The count begins with the opening of the first table game drop box and ends when a member of the cage/vault department signs the master games summary and assumes accountability of the proceeds. <b>(Note before 97)</b>				
Perform a currency counter test, if applicable, using previously counted currency for each denomination counted by the currency counter. The test can be conducted at the conclusion of the count, but before the final totals are generated. <b>Indicate the results of the test performed.</b>				
17. Is the table games count performed in the soft count room or in an equivalently secure area with comparable controls? <b>(97) Verify by observation.</b>				
18. Are all coins, tokens, chips and/or cash inventory stored in the count room secured to prevent unauthorized access at all times? <b>(98)</b>				
19. Is access to the count room during the count restricted to members of the drop and count teams, authorized observers, supervisors for resolution of problems, authorized maintenance personnel and personnel performing currency transfers? <b>(98) Verify by observation.</b>				
20. Is access to stored table game drop boxes, full or empty, restricted to authorized members of the drop and count teams? <b>(99)</b>				
21. If counts from various revenue centers occur simultaneously in the count room with the table games count, are procedures in effect that prevent the commingling of funds from different revenue centers? <b>(100) Verify by observation. Describe such procedures.</b>				

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<p>22. Is the soft count performed by a minimum of three employees physically located in the count room until the proceeds have been accepted in the cage/vault accountability and at no time during the count will there be fewer than three employees in the count room? <b>(101) Verify by observation.</b></p> <p><b>Note:</b> For simultaneous counts of both the table game proceeds and either the card games proceeds or slot proceeds, a minimum of six employees are to be involved – three per count. Upon the acceptance of the proceeds of one of the counts by the cage/vault, the number of employees may be reduced to three. The number of employees may also be reduced to three if the counted proceeds (and related documentation) are secured in an area within the count room where only cage/vault personnel can obtain access (e.g., locked in a cabinet) while the three remaining count team members perform other duties/counts. In such a case, the cage/vault personnel are prevented from accessing the proceeds unless three count team members are present (e.g., count team keeps the key to the count room during breaks). <b>(101, Note)</b></p>				
<p>23. Are count teams consisting of only three members rotated on a routine basis? <b>(102)</b></p> <p><b>Note:</b> The rotation is such that the count team is not consistently the same individuals more than four days per week. <b>(102)</b></p>				
<p>24. Is the count team independent of the pit department and the department responsible for subsequent accountability of the soft drop proceeds? <b>(103) Verify by observation.</b></p> <p><b>Note:</b> The use of a dealer or a cage cashier is acceptable. An accounting representative may be used if there is an independent audit of all soft count documentation. A cage cashier may be used if this person is not allowed to perform the recording function (e.g., does not operate the currency counter) or accept funds into cage accountability. <b>(103, Note)</b></p>				

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<p>25. Do at least two count team members verify the accuracy of the currency counter immediately prior to the count with previously counted currency for each denomination (i.e., test currency) and with each type of wagering instrument (for number of wagering instruments or for dollar amount, if applicable), is the test currency counted by the currency counter to ensure that counter is functioning properly and are the test results documented and maintained? <b>(104) Examine the documentation.</b></p> <p><b>Note 1:</b> The test must be performed with test currency rather than currency from a drop box. <b>(104, Note 1)</b></p> <p><b>Note 2:</b> If the same count team members complete a count for one revenue center (e.g., gaming or nongaming revenue center) and then immediately complete a count for a second revenue center, the currency counter test would only need to be completed at the beginning of the first count. <b>(104, Note 2)</b></p> <p><b>Note 3:</b> If the currency counter is used for the soft count and slots currency acceptor count, performing the test once will satisfy both the MICS and the parallel Slots MICS as long as the same count team members complete one count and proceed to the other revenue center count. <b>(104, Note 3)</b></p>				
<p>26. If a currency counter interface is used, is it adequately restricted so as to prevent unauthorized access (passwords, keys, etc.)? <b>(105) Indicate how it is restricted. Verify by examination.</b></p>				
<p>27. Are unannounced currency counter and currency counter interface tests of all denominations of currency and all types of wagering instruments counted by the currency counter performed by someone who is independent of the cage, vault and pit departments and the count team on at least a quarterly basis with the test results being documented and maintained? <b>(106) Review the last test(s) results. Indicate the date of the last test, who performed the test(s) and the results of the test(s).</b></p> <p><b>Note:</b> This test is separate from the two tests required to be performed by internal audit pursuant to the Board's Internal Audit Compliance Checklists; however, internal audit may complete all the tests. <b>(106, Note)</b></p>				
<p>28. Are the table game drop boxes individually emptied and counted in such a manner as to prevent the commingling of contents between boxes before the box contents have been counted and recorded? <b>(107) Verify by observation.</b></p>				

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Questions	Yes	No	N/A	Comments, W/P Reference
29. Are the contents of each box (e.g., cash, chips, wagering instruments, traveler's checks, foreign chips, receipts, coupons or other promotional items included in reported gross revenue) recorded in ink or other permanent form of recordation on a master game summary by table for each shift? <b>(108) Verify by observation.</b>				
30. Are coupons or other promotional items that are not included in reported gross revenue recorded in the same manner as the items mentioned in the previous question or are they recorded on a supplemental document either by the count team or accounting personnel? <b>(108) Verify by observation.</b>				
31. Are all single-use coupons cancelled daily by either the count team or accounting personnel to prevent improper recirculation? <b>(108) Verify by examination.</b>				
32. If a currency counter interface is used, are the currency drop figures transferred via direct line or computer storage media to the accounting department? <b>(108) Verify by observation.</b>				
33. If currency counters are utilized and the count room table is used only to empty boxes and sort/stack contents, is a count team member other than the person(s) operating the currency counter able to witness the loading and unloading of all currency, including rejected currency, at the currency counter? <b>(109) Verify by observation. If no, see the next question.</b>				
34. If a count team member does not monitor the currency counter operator(s) as described in the preceding question, does an individual independent of the count process monitor the operator(s) of the currency counter for a minimum of one hour during the count process from recorded or live surveillance at least monthly with the date, time and results of the independent observation being documented? <b>(109) Verify by examination.</b>				
35. When the currency counter rejects currency but does not record the amount of rejected currency, are procedures in effect to record the rejected currency amount by table and in total and to ensure that two counts of the rejected currency (by table and in total) are performed to verify that the correct amount of drop (including rejected currency) is recorded on the master games summary? <b>(110, Note) Verify by observation.</b>  <b>Note:</b> The above MICS does not allow for rejected currency to be posted to a "dummy", nonexistent table. <b>(110, Note)</b>				

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36. Are the empty table game drop boxes shown to another member of the count team, to another person who is observing the count, or to recorded or live surveillance provided the count is monitored in its entirety by someone independent of the count? <b>(111) Verify by observation.</b>				
37. Are the fill/credit slips removed from the drop boxes matched to the fill/credit slips obtained from the cage or alternatively, do count team members reconcile to verify that the total amount of fill/credit slips removed from drop boxes is identical to the total amount of fill/credit transactions processed by the cage for the shift? <b>(112) State the method used. Verify by observation.</b>  <b>Note:</b> Tracing the fill/credit slips removed from the drop boxes to the fill/credit transactions recorded on the master games summary does not satisfy the intent of this standard. <b>(112, Note)</b>				
38. Are fills and credits individually traced to or recorded on the master games summary by the count team members? <b>(113) Verify by observation. State whether they are traced to or recorded.</b>				
39. Are pit marker issue and payment slips removed from the table game drop box either: <b>Verify by observation.</b>				
a) Individually traced to or recorded on the master game summary by the count team members? <b>(114a) State whether traced or recorded;</b> or				
b) If a computerized system is used, totaled by shift and traced to the totals documented by the computerized system with accounting personnel then performing the procedures required by MICS #177(d)? <b>(114b)</b>				
40. Are foreign currency exchange forms, if applicable, removed from the table game drop boxes reviewed for the proper daily exchange rate and is the conversion amount recomputed by the count team members or accounting/audit employees subsequent to the count? <b>(115) State whether the procedure is performed by the count team or by accounting/audit personnel subsequent to the count.</b>				
41. Are electronic debit instrument transaction records removed from the drop boxes individually traced to the system report, any discrepancy between the transaction records from the drop box and the system report is investigated, and the results of such investigations are documented and maintained by the count team? Alternatively, is this performed by accounting/audit employees? <b>(116)</b>				

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42. Are wagering account records removed from the drop boxes individually traced to the WAT Detail report by gaming area, any discrepancy between the records from the drop box and the system report is investigated, and the results of such investigations are documented and maintained by the count team? Alternatively, is this performed by accounting/audit employees? <b>(117)</b>				
43. Are the opening/closing table inventory forms either:				
a) Individually traced to or recorded on the master game summary by the count team members? <b>(118a) Verify by observation. State whether traced or recorded;</b> or				
b) If a computerized system is used, accounting personnel can trace the opening/closing table inventory forms to the master games summary and are discrepancies investigated with the findings being documented and maintained? <b>(118b)</b>				
44. Are corrections on any count documentation or transfer form made by crossing out the error, entering the correct figure, and then obtaining the signatures or initials of at least two count team members who verified the change? <b>(121) Verify by observation.</b>				
45. If a currency counter interface is used, are corrections to count data made using one of the following methods: <b>Verify by observation.</b>				
a) Are the errors crossed out on the document, is the correct figure entered, are the signatures or initials of at least two count members who verified the change obtained, and then does an employee independent of the pit department and count team enter the correct figure into the computer system prior to the generation of the related master games summary? <b>(121a) or</b>				
b) During the count process, is the error corrected in the computer system, are the passwords of at least two count team members entered, and if this procedure is utilized is an exception report generated by the computer system identifying the table number, the error, the correction and the count team members attesting to the propriety of the correction? <b>(121b)</b>				
46. Are transfers out of the count room during the table games soft count process either strictly prohibited, or if transfers are permitted, is each transfer recorded on a separate multi-part form used solely for currency count transfers during the count? <b>(119) Verify by observation. State whether they are prohibited or allowed with a multi-part transfer form.</b>				

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47. If currency transfers are allowed: <ul style="list-style-type: none"> <li>Is the currency counted and are the transfer forms signed by two count team members and someone independent of the count team?</li> <li>Does at least one part of the transfer form remain in the count room until all the currency drop has been accepted into cage/vault accountability and does the other part of the transfer form accompany the funds being transferred from the count room during the count? <b>(120) Verify by observation.</b></li> </ul>				
48. At the conclusion of the count, is the currency drop amount recorded on the master games summary reconciled to the currency drop in the count room and the dollar amount of any currency drop transfers, if applicable, by a count team member who does not function as the sole recorder with any variances being reconciled and documented? <b>(122) Verify by observation.</b>				
49. Do all members of the count team attest by signature to the accuracy of the currency drop count? <b>(123) Verify by observation.</b>  <b>Note:</b> Three verifying signatures on the master games summary are adequate if all additional count team members sign a supplemental document evidencing their involvement in the count process. <b>(123)</b>				
50. Does an employee of the cage/vault department (who is independent of the count team) perform an independent count of the currency drop proceeds that are being turned over to the cage/vault department and reconcile it to the currency drop amount on the master games summary, less any transfers, if applicable, and are any variances reconciled and documented? <b>(124) Verify by observation.</b>				
51. Does the cage/vault employee mentioned above sign the master games summary, or other reconciling document, and assume accountability of the currency drop proceeds, thereby ending the count? <b>(125) Verify by observation.</b>				

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52. At the conclusion of the count, is the master games summary and all supporting documents, including currency drop transfer forms, and any applicable computer storage media promptly delivered to the accounting department by a count team member or someone other than a cage/vault employee or are these documents adequately secured (e.g., locked container to which only accounting personnel can gain access) until retrieved by the accounting department? <b>(126) State the procedure.</b>				
<b><u>Written System of Internal Control</u></b>				
53. Has the licensee's written system of internal control for the table games drop and count been re-read prior to responding to the following question?				
54. Does the written system of internal control for the table games drop and count reflect the actual control procedures in effect for compliance with the MICS, variations from the minimum internal control standards approved pursuant to Regulation 6.090(8), and Regulation 14 associated equipment approvals? <b>[Regulation 6.090(13)]</b>				
55. <b>Obtain a copy of the master games summary totals for inclusion in the workpapers.</b>				
56. <b>Complete the CPA MICS Compliance Checklist for Table Games Key Controls.</b>				

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